



**Thomas A. Schweich**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the Office of Lieutenant Governor

Recusal	To avoid any appearance of a conflict of interest, the State Auditor has recused himself from all reports pertaining to the Office of Lieutenant Governor. Instead, the Deputy State Auditor oversaw the procedures performed by the State Auditor's professional audit staff in the completion of this audit.
Missouri Waste Report	<p>The Lieutenant Governor's office is in the process of creating a website, Missouri Waste Report, for the public to report suspected misuse of public funds. However, except for concerns related to specific duties provided by state law, the Lieutenant Governor lacks the statutory authority to investigate public concerns regarding the suspected misuse of taxpayer monies or to create a website or telephone hotline for that purpose. Because neither state law nor Governor Executive Orders authorize the Lieutenant Governor to address misuse of public funds, the Lieutenant Governor lacks the legal authority to access information and persons necessary to thoroughly investigate such misuse and to keep allegations, including the identity of persons reporting concerns, confidential and exempt from the Sunshine Law.</p> <p>Moreover, because state law already provides other elected officials and agencies, such as the State Auditor, the Attorney General, the Department of Social Services, and the Department of Labor and Industrial Relations, Division of Workers' Compensation, with authority to investigate fraud and misuse of public funds, the Lieutenant Governor's Missouri Waste Report may be a duplication of effort and a waste of state resources. The General Assembly increased the Lieutenant Governor's fiscal year 2014 personnel service appropriation by \$38,000 to support the website; through July 2013, the office had spent \$2,700 and the Lieutenant Governor's campaign committee paid \$1,189 for the website.</p>
Office Controls, Policies, and Procedures	The office provided pay raises to employees that were not provided to other state employees. In addition to the 2 percent cost of living adjustment in July 2012 given to all state employees earning less than \$70,000 per year, certain Lieutenant Governor staff received raises in September 2010, March 2011, and January 2012, representing a total annual increase in staff salaries of \$44,953 (13 percent). The Lieutenant Governor's Director of Administration and Director of Communications have the ability to both enter and approve expenditures in the state computerized accounting system without review or approval by another person, and employees did not receive appraisals during the 3 years ending June 30, 2013.
Lieutenant Governor Reimbursement	The Office of the State Auditor issued Report No. 2011-31, <i>Lieutenant Governor Reimbursement</i> , which communicated the results of our review of the Lieutenant Governor's calculation and reimbursement to the state of all in-state lodging costs.

We determined the \$52,030 reimbursement amount was correct based upon the assumptions and methodology used by the Lieutenant Governor, but indicated the Lieutenant Governor should consider making additional reimbursements due to (1) coding errors, (2) lodging expenses paid to the Lieutenant Governor by other state agencies, and (3) meal costs totaling \$10,893. On July 8, 2011, the Lieutenant Governor reimbursed the state \$1,888 related to coding errors and reimbursements paid by other state agencies. The Lieutenant Governor did not reimburse meal costs and assumed that any potentially questionable meals would be more than offset by the excessive reimbursement of in-state lodging, and our findings did not dispute this assumption.

In the areas audited, the overall performance of this entity was **Good**.\*

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.